

Forest Tax & Stewardship News

Fall 2006

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Trusts and the Tax Law Programs

By Carol Nielsen
DNR Forest Tax Program Manager

Who owns the land affects new Managed Forest Law entries, Managed Forest Law (MFL) and Forest Crop Law (FCL) transfers, and MFL closed acreage limitations. In the past, trusts have been considered a unique and separate ownership for both the MFL and the FCL. This is no longer the case.

The Change

A trust is no longer considered a unique and separate owner. The trustees are the owners and will be listed as such on all paperwork and on entries, transfers or other documents created for the tax law programs. Each trustee will be tracked in our database as an owner and all requirements and restrictions will apply.

Why Are We Changing?

In the past, we have asked questions on how to handle trusts and based on the answers at the time, the policy to handle them as unique and separate owners was implemented. Over the past couple of years, the use of trusts has dramatically increased for estate planning. When an ownership changed from an individual or set of individuals to a trust with the same individual or set of individuals as the trustees, we required an MFL Petition for Transfer form or an

FCL Transfer of Ownership form to be filed; we have received challenges to this policy. The argument was that the trustees (if the same as the grantors) were in fact the owners and retained the same ownership rights; therefore, we should not require an MFL or FCL transfer form to be filed.

Due to these challenges, we asked the DNR legal staff to take another look at the issue and make a determination on how we should handle trusts and transfers. The answer:

When land is deeded to a trust, it is the person, combination of persons, or entity acting as trustees that holds the ownership interest for the trust; he/she/they are the owners. Therefore the DNR should not require a transfer for MFL or FCL purposes when the ownership is going from a person, combination of persons, or entity to the **same** person, combination of persons or entity acting as the trustee (or vice versa).

However, anytime the land is deeded to a person, combination of persons, or entity as trustee(s) **different** from the person, combination of persons, or entity acting as the grantor (or vice versa), the DNR should require a transfer for MFL or FCL purposes.

This answer is based on "ownership law." Past interpretations were based on "tax law" instead of "ownership law." It was determined that "ownership law" is more appropriate for MFL and FCL, as entries are based on who owns the land.

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Transfer **not** required — examples:

1. Deed shows the title being transferred from Jack Doe and Jane Doe to Jack Doe and Jane Doe, co-trustees of the Doe Family Trust.
2. Deed shows the title being transferred from Jack Doe and Jane Doe, co-trustees of the Doe Family Trust to Jack Doe and Jane Doe.

Jack and Jane are the owners in both cases.

Transfer required — example:

1. Deed shows the title being transferred from Jack Doe to Jack Doe and Jane Doe co-trustees of the Doe Family Trust.

The ownership is now held by Jack and Jane, not Jack alone.

New Entries

Starting with **2008** entries, we will list the trustees as individual owners. We will no longer use the trust as a unique and separate entity.

Therefore, if the deed (or other ownership document) lists Jack Doe and Jane Doe as trustees of the Doe Family Trust, the owners would be entered and shown as Jack Doe and Jane Doe.

If the deed does not clearly indicate the trustees of a trust, then the landowner will need to provide a copy of the trust to show who the trustees are.

Closed acreage limitations are based on the ownership of the land. Land held by Jack Doe and Jane Doe, trustees of the Doe Family Trust and land held by Jack Doe and Jane Doe as individuals will be considered the same ownership.

Past Entries Under Trusts and Sub-Trusts

Past entries (1987-2007) that were entered as a trust will be maintained as such until...

- a change in ownership takes place,

- the owner applies to add land to the existing entry or
- the owner requests a change in the open/closed designation (land open or closed to public access).

When one of these actions takes place, the ownership will be changed to show the trustees as owners. The closed acreage for the ownership will need to be reviewed to ensure that it is within statutory limits. If the ownership has too many acres under the closed designation, the owners must be notified to determine which acreage will be changed to open designation.

It is important to note that a change in trustees would be considered a change in ownership and would require a transfer. When the transfer is completed, the database and order will show the trustees as owners.

Examples:

1. Jack Doe, trustee of the Doe Family Trust. The trustee is changed to Tom Doe. A transfer would be required.
2. Jack Doe and Jane Doe trustees of the Doe Family Trust. Jack Doe passes away. We would need to consult the trust document to determine if a transfer is needed. If Jane Doe becomes the sole trustee, no transfer would be needed. If another trustee is added (e.g. a successor trustee becomes co-trustee), a transfer would be required.

Signature Requirements

All owners must sign the petition, plan, transfer, or withdrawal document. This includes all trustees. We can no longer accept one trustee's signature as sufficient. Each trustee is an owner and therefore each trustee must sign.



Notice!

Seek your DNR forester's advice before buying, selling or transferring tax law land. This will help you avoid unwanted withdrawals and penalties.

Jack Pine Budworm: Observations on Red Pine Cause Concern

By Todd Lanigan
DNR West-Central Regional Forest Pest Specialist

For decades, forest health specialists have monitored activities of the jack pine budworm, (*Choristoneura pinus pinus*). Jack pine budworm is a moth and it is the caterpillar that causes the damage to the trees. It feeds initially on the pine pollen cones in the spring and then feeds on the pine needles. Just when we thought we could predict this insect's habits, including defoliation patterns, damage amounts, and population, it started changing. This insect has always fed on jack pine as its favorite host and has only been occasionally found feeding on red pine. Yet during the late summer/early fall of 2004, defoliation was observed in a 20-30-year-old red pine plantation in Adams County. Entomologists have thought this insect would not likely complete its life cycle on red pine because the needles of red pine are too thin for the female to lay her eggs on the needle surface. In 2004, the budworm successfully placed egg masses on red pine needles.

In 2005, jack pine budworm expanded into more red pine plantations in Adams County; both young (20-30-year-old) plantations and older (35+ year-old)

plantations were affected. Jack pine budworm was also found in young (20-30-year-old) red pine plantations in Eau Claire, Juneau, and Wood counties.

In 2006, once again jack pine budworm expanded into more red pine plantations in Eau Claire, Juneau, and Wood counties. In Juneau County, budworm was found in a red pine plantation that was planted in 1996. Budworm was also found in Dunn and Portage counties for the first time, in young red pine plantations (14-30-year-old).

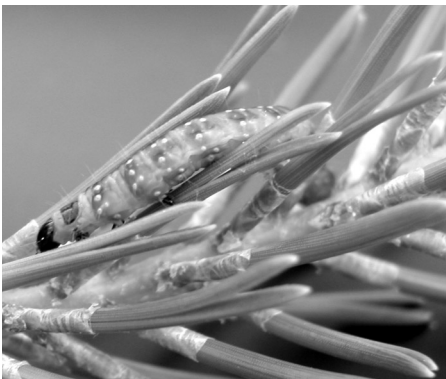
Defoliation patterns in the 14-30-year-old red pine plantations were very typical of jack pine budworm defoliation, although budworm is not normally found in jack pine this young. Feeding starts at the top of the tree and continues down the tree. Open-grown trees usually have more defoliation than trees inside the plantation. Typical top dieback and tree mortality is occurring in these red pine plantations.

Defoliation in the 35+ year-old red pine plantations is very different from typical budworm defoliation in the same age

class of jack pine. In the red pine, the budworm picks out an individual tree and concentrates on this one tree. This individual tree will be heavily defoliated and the surrounding trees will have light to moderate levels of defoliation. This type of defoliation is scattered throughout the red pine plantation. In jack pine, trees throughout the stand will be equally defoliated, but a couple of trees scattered throughout the stand will look perfectly healthy with nice full crowns.

Jack pine budworm appears to be thriving on red pine and the population shows no signs of decline at this time. Continued presence of jack pine budworm may weaken red pine stands and allow for other insects to become established, including pine bark beetles, red turpentine beetles, and pine sawyers.

A request for funding to partner with entomologists at the University of Wisconsin-Stevens Point and University of Wisconsin-Madison has been submitted to the USDA Forest Service. If funded, a 2-year investigation will begin in 2007.



Jack pine budworm caterpillar.



Jack pine budworm moth.



Dieback caused by the jack pine budworm.

Deer — Impacts on Forest Ecology and Management

By Joseph Kovach
DNR Forest Ecologist & Silviculturist

Whitetail deer are abundant in Wisconsin. In 2000, Wisconsin set a national record for number of deer harvested and has been the top deer harvest producing state over the past decade. For late-summer 2006, the whitetail deer population is estimated at 1.5 to 1.7 million animals. In most regions and management units, the deer herd remains well above population management goals.

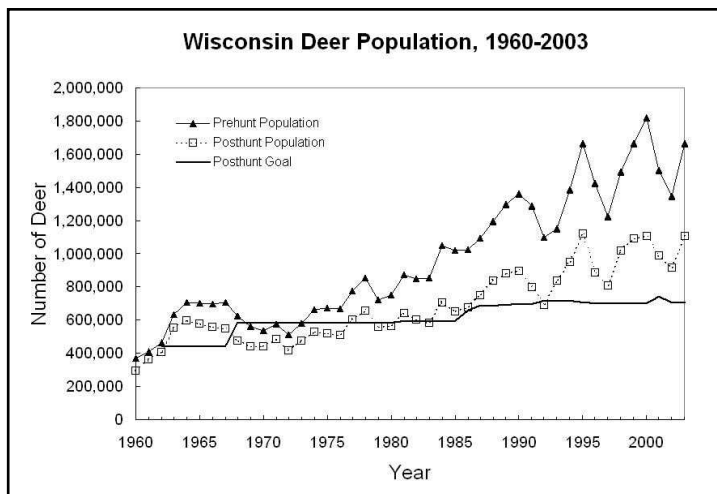
Deer are a highly valued natural resource, providing both economic and recreational benefits to many people. Deer are a keystone species that use forests for shelter and food and can have widespread impacts on forest vegetation and other wildlife.

Sustained high deer populations (overabundance) can cause widespread damage to vegetation, local extirpation of plant species, alteration of habitat for

other wildlife species, and reduced ecological diversity. Regeneration of desired tree species can become untenable without the implementation of costly protection measures. Overabundant deer populations can impair the sustainability of other benefits produced by forest management. Across the state, the severity of impacts is variable, depending on geography, land use and management, and types of vegetation. In the fragmented farm-forest landscape characteristic of most of Wisconsin, deer populations are often high and forest impacts can be severe.

Deer eat the buds and new growth on tree seedlings, shrubs, and herbs. Plants that are browsed grow less vigorously and may eventually die. Some kinds (species) of trees and plants taste better than others and are preferred by deer. Selective browsing by deer changes the forest. The effects of deer browsing become amplified as deer populations increase and with the amount of time overabundant populations are perpetuated.

Preferential browsing can retard the development of certain plants and allow other non-preferred species to become increasingly dominant. In severe cases, some plant species can be reduced from locally abundant to nonexistent. Some tree seedlings that are often severely browsed include hemlock, cedar, oaks, birches, and maples. Many types of forest shrubs can be heavily browsed; deer have played a significant role in the virtual elimination of yew from many of our forests. Herbs growing on the forest floor are also a desirable food item for deer, particularly lilies and orchids. Some rare and endangered plants are being severely impacted by deer browsing. When deer are overabundant in the forest, many seedlings, shrubs, and herbs can be eliminated, leaving only barren ground, grasses, or ferns to predominate. Over time, the browsing effects of high deer populations can change the composition and structure (the spatial arrangement) of the forest vegetation.



Wisconsin deer population goals and actual deer populations have increased between 1960 and 2005 (DNR graphic).



A 15-year old deer enclosure in Vilas County. Inside the enclosure, regeneration of maple, birch, hemlock, and white pine is abundant. Outside, where deer browse, grasses and sedges dominate the understory (photo 2004 by T. Rooney).

This change in forest plant composition and structure also impacts what kinds and what populations of wildlife live in the forest. Other forest animals also require food and shelter. When deer change the vegetation, they change the habitat used by other animals. For example, when deer eat hemlock, cedar, or other conifer seedlings, hardwood trees such as maples or ashes may take over; then, animals, such as the Gray jay, that prefer conifer habitat may become less abundant. When deer reduce the shrub layer in a forest, then shrub-nesting birds, such as the Black-throated blue warbler, lose habitat, become more susceptible to predators (less hiding places), and become less abundant or may even be eliminated. Overabundant deer can change the composition of the forest, both plants and animals.

For foresters and landowners focused on growing trees, overabundant deer can be a significant problem. In a 2005 reforestation survey of DNR foresters, deer browse was identified as the most significant barrier to successful forest regeneration; 81% of respondents identified deer browse as a problem. Browsing of seedlings, both natural and planted, can reduce seedling vigor and forest productivity, delay establishment of a young forest, increase management costs, change forest tree composition (which tree species are able to survive and grow), and, in some cases, cause complete failure of the forest to regenerate. The economic costs of forest management can be increased because of regeneration failures, repeated silvicultural treatments, expensive protection of regeneration, and decreased growth and productivity. Deer browsing can interfere with the attainment of management objectives, when forest regeneration fails or less desirable species become dominant.

If you are interested in further reading, see Wisconsin Woodland Owners Association (WWOA), Woodland Management volume 27:2, summer 2006, which is a special issue featuring deer impacts on woodlands.



Save the Date for the National Tree Farmer Convention!

Oct 11-14, 2007 at the Monona Terrace in Madison, WI

By Randy Sthokal
WTFC Tree Farm Administrator

The Wisconsin Tree Farm Committee (WTFC) has agreed to be the lead sponsor of the National Tree Farmer Convention. The convention will be held in Madison, Wisconsin on October 11-14, 2007 at the Monona Terrace. This will be the first national convention of the American Tree Farm System (ATFS) to be held in Wisconsin.

With the Department of Natural Resources' recent enrollment of Managed Forest Law lands into the ATFS Group Certification Program, the Wisconsin program now includes over 36,000 landowners on close to 2 million acres. The 2007 National Tree Farmer Convention will be an excellent opportunity to celebrate the accomplishments of the ATFS Tree Farm Program in Wisconsin.

In past years, the ATFS National Tree Farmer Convention has been open primarily to tree farmers and their families; however, the 2007 convention will be open to the public. This could make this convention the most diverse and well-attended gathering ever. A warm Wisconsin welcome will be waiting for all who are able to attend.

The event will be held at the Monona Terrace, which was originally designed by Frank Lloyd Wright and is located on the shores of Lake Monona. And

while the convention officially runs from October 11-14, pre-convention and post-convention tours will add even more opportunities for forestry field days, friendship, and fun!

With the combination of a vibrant tourism industry and numerous examples of active forest management and sustainable forestry practices, this will truly be an exciting event and one not to be missed.

A Convention Planning Committee is being formed to work with the national ATFS office in developing the field days, tours, and events that will make the 2007 convention an exciting blend of the sights, sounds, and tastes of Wisconsin.

In the next 18 months, there will be many opportunities for Wisconsin tree farmers to participate as volunteers on the convention's various planning subcommittees and as participants in the field day and convention festivities. The 2007 National Tree Farm Convention will offer many examples of the passion Wisconsin tree farmers have for managing their family forests in a sustainable manner.

If you are interested in being a volunteer on one of the planning subcommittees or if you are interested in volunteering at the convention, please contact the Wisconsin Tree Farm Committee at 715-445-5991 or e-mail us at wtfc@athenet.net for more information.



The Master Logger and the Landowner

By Robert Hess

Wisconsin Master Logger Coordinator

In the late 1990's, a loggers' association in the state of Maine decided that it was time to take action. They were facing two large issues: the public perception of loggers and the ever-changing marketplace. They felt as if they were being painted as woods butchers by environmental extremists and an unfriendly media. They also recognized that consumers in the marketplace were increasingly interested in certified wood products and that forest certification systems were becoming larger players in the worldwide market. They knew that they had to do something to survive in this new marketing atmosphere.

To meet these challenges, the logging association developed a program designed to show that loggers could operate in an environmentally responsible manner — not just occasionally, but all of the time. They created performance-based standards of operation that were compatible with all of the major forest certification systems worldwide. It was a unique approach that does not certify the land, but rather the logger working on the land. They called it Master Logger Certification.

Implemented in Maine in 2001, Master Logger Certification was well received and immediately caught the attention of other states in the Northeast and the Upper Midwest. The Wisconsin Professional Loggers Association quickly adopted the program. The first Wisconsin Master Loggers were certified in 2003. By the end of 2006, there will be more than 50 certified Master Loggers in Wisconsin. What follows is the story of how it works and what it means to forest landowners.

Master Logger Certification (MLC) is unique in that it is designed by loggers, for loggers, with high standards of operation verified by independent third party auditors. But it is not only about loggers. It is also about working closely with landowners to practice sound



Stream crossing installed by a Master Logger under a stream-crossing permit. This is an example of proper permitting and installation.



Master Logger-built road that is properly graded, crowned, drained, and seeded.

forestry on the land and about working closely with the forest products industry to deliver certified wood products to the retail market. To accomplish this, MLC in Wisconsin is based on seven broad areas of responsibility. The areas of responsibility include 1) following property management plans, 2) best management practices for water quality, 3) silviculture and utilization, 4) forest aesthetics, 5) training, 6) government regulations, and 7) following sound business practices. They include 26 standards of operation with 114 individual practices that are verified by specially trained, certified auditors.

This is what a landowner can expect when working with a Master Logger. Master Loggers are required to meet with the landowner before signing a contract to discuss landowner objectives, jointly inspect the site, and develop a harvest plan. A complete, signed timber sale contract and harvest plan is required. An appropriate silvicultural prescription must be used for the tree species and site. Harvests must include a plan for regenerating the site. Best management practices for water quality are required. Stream crossings must have permits and culverts must be properly installed. Roads, trails, and landings must be left in good condition. If there are changes in the contract, they must be noted and signed by both parties. The logger must provide for employee training, have proper insurance, and follow approved safety practices.

The benefit to the logger from this program is not necessarily monetary. It is still a free market and the Master Logger must still offer competitive prices. The advantage of MLC to the logger is that certain retail markets demand a high percentage of certified wood from their suppliers. There is not enough certified land to provide for the demand. But some retailers recognize wood produced by Master Loggers as certified wood, regardless of where it is cut. So, Master Loggers can have an advantage in marketing their product over other loggers.

For the landowner, the benefit is knowing that a Master Logger is committed to high standards of operation on every

job. The landowner can expect a neat, clean, professional operation because the Master Logger must work closely with the landowner, must use good silvicultural practices, must go “easy on the land,” must operate within all of the laws and regulations that apply to loggers, and must run a sound and safe business. This makes it a winning situation for the landowner, the logger,

the industry, the retailer, the consumer, and most importantly, the environment. Hiring a certified Master Logger just makes good sense. You can get more information, including a list of Master Loggers, from the Wisconsin Professional Loggers Association web site at www.wpla.org, or call toll free at 1-877-819-9908.



What is the CPW Program Anyway?

By Kathryn Nelson
DNR Forest Tax Section Chief

A CPW Program, you say. Is it another Conservation Reserve Program (CRP) or is it a new way to do Cardio Pulmonary Resuscitation (CPR)? It's neither. CPW stands for certified plan writer (CPW). The CPW program is now an integral part of the Managed Forest Law (MFL).

The CPW Program began on November 1, 2005 as a result of 2003 Wisconsin Act 228. It is especially important to landowners wishing to enter their land into the MFL program because all new MFL management plans must be written by either a CPW or by the DNR.

A CPW is a private consultant forester certified by the DNR to write MFL plans. The requirements to become a CPW are stringent. A CPW must be a cooperating forester with the DNR, attend a 2-day training session on MFL plan writing and packet preparation, and submit two acceptable MFL packets for review. Once these requirements are met, the CPW must sign an agreement to maintain all certification standards and follow all guidelines, directives, and manuals of the MFL and CPW programs.

There are roughly 64 CPWs working throughout the state. Each year another class of CPWs is certified to write MFL plans, allowing forest landowners many opportunities to work with the CPW of their choice.

As a landowner applying for entry into the Managed Forest Law, you may hire a CPW directly to prepare your MFL management plan or be placed on the MFL petition referral list. See the article, “The Managed Forest Law Petition Referral List,” located in this newsletter for more information on this topic.

In today's world, where forests are being third party certified to prove that sustainable forest management principles are being followed, and loggers are achieving Master Logger status to prove proficiency in logging and business operations, the Department of Natural Resources is certifying cooperating foresters to prove proficiency in writing MFL plans and packets. You can be assured that the MFL plan you have prepared by a CPW meets all of the technical standards required by the law.

The most recent list of CPWs is available from your local DNR forester or online at:
http://dnr.wi.gov/org/land/forestry/ftax/cpw_list_public.pdf



American Tree Farm System Sign

By Randy Sthokal
WTFC Tree Farm Administrator



The Wisconsin Tree Farm Committee (WTFC) recently announced the development of a license agreement to provide Managed Forest Law (MFL) landowners in the American Tree Farm System (ATFS) Group Certification Program with the opportunity to display the Tree Farm sign. The agreement allows MFL Certified Group members to display the Tree Farm sign as long as they are enrolled in the MFL program and abide by the terms of the license agreement, which must be signed by the landowner.

The cost of the license agreement is \$35.00 and includes one Tree Farm sign, in addition to all shipping and handling charges. The sign is shipped directly to the MFL landowner. Additional signs can be included in the order and are available for a fee of \$10.00 per sign. A portion of the license agreement fee will be used to provide sustainable forestry education and outreach opportunities for MFL landowners in the ATFS Group Certification Program.

Copies of the license packet, which includes the license agreement, instructions, and an order form, are available on the WTFC website at <http://www.witreefarm.org>. Click on the menu item titled "MFL Group" to view the agreement.

Printed copies will also be available at Tree Farm field days and other events. For more information, or to request printed copies of the license agreement, contact the Wisconsin Tree Farm Committee at (715) 445-5991 or by e-mail at wtfc@athenet.net



The Managed Forest Law Petition Referral List

By Julie Polasky
DNR Forest Tax Program Specialist

A Managed Forest Law (MFL) management plan is a requirement for entry into the Managed Forest Law program. The MFL petition referral list facilitates the process of a landowner hiring a certified plan writer to prepare the MFL management plan. Here's the way it works...

To apply for entry into the MFL program, a landowner must complete an MFL Petition for Designation (application) and submit it to the Department by the July 1 deadline. An MFL management plan must then be completed for the property. If the landowner has not already chosen a certified plan writer to prepare the management plan and has no management plan previously (within the last 5 years) prepared and approved by the Department, the petition is placed on the referral list.

The petition is placed on the MFL petition referral list for a 60-day period. The referral list is made available to all certified plan writers. Certified plan writers are private consultant foresters who have been certified by the Department to write MFL management plans.

During the 60-day referral period, the landowner may be contacted by certified plan writers interested in preparing a management plan for the property. The landowner may decide to accept an offer, wait for other offers, or make his or her own contacts.

If the landowner does not receive an offer during the 60-day referral period, the Department may prepare the MFL management plan for a plan preparation fee. The landowner is charged this fee upon completion of the plan.

If the landowner receives an offer during the 60-day referral period, the Department will no longer be responsible for preparing the MFL management plan. To continue with the petition process, the

landowner must choose a certified plan writer to prepare the management plan. The management plan must be approved by both the landowner and the DNR forester by July 1 of the year following the petition deadline.

Once the management plan is signed by both the landowner and the DNR forester, approved lands will be entered into the program 18 months following the petition deadline. For example, if a landowner applies for the July 1, 2007 deadline, the completed management plan is due on July 1, 2008 and the approved land is entered into the program effective January 1, 2009.

The referral list is a key tool in the entry process, helping landowners make contacts with certified plan writers interested in preparing the required MFL management plan. A certified plan writer can work with the landowner to develop a plan with the landowner's goals, while writing a plan based on sustainable management of the land.

Managed Forest Law Petitions for Designation are available from your local DNR forester or online at: <http://www.dnr.wi.gov/org/land/forestry/ftax/forms.htm>

Note that there is also a second deadline for entry into the Managed Forest Law program. If a landowner has already hired a certified plan writer, the landowner can apply for the May 15 deadline. In this instance, the certified plan writer must submit a management plan packet to the DNR forester for review by March 1. The landowner must then submit the approved and completed packet to the Department by May 15. Approved lands are entered into the program the following January 1. For example, the certified plan writer must submit a management plan packet for review by March 1, 2007 and the landowner must submit a completed management plan packet by May 15, 2007 in order for approved lands to be entered into the program effective January 1, 2008.



2006 Wisconsin Tree Farmer of the Year — Koerner Family Tree Farms

By Shirley Bargander

DNR Forester, Vice-chair of the Wisconsin Tree Farm Committee (WTFC) and Chair of the WTFC Recognition Committee

The Wisconsin Tree Farm Committee is very happy to announce that Koerner Family Tree Farms is the 2006 Wisconsin Tree Farmer of the Year! John and Diane Koerner started their Tree Farm with their first purchase of 80 acres in the Town of Belmont in 1967. In subsequent years, they have expanded to 1,681 acres in three townships in southern Portage County. In addition to red pine on the more fertile soils, the Tree Farm also consists of oak, maple, aspen, birch, upland brush, wetlands, and grassy areas. Paul Lochner, DNR forester in Portage County, is the nominating forester and has been working with the Koerners for 25 years.

The family has worked closely with three different DNR foresters and several industrial foresters. They have used cost-sharing assistance and the forest tax laws to plant and manage lands that were not productive forest land. Some of the parcels had poor survival, so they were harvested and replanted. Two present projects involve the elimination of 22 acres of less desirable black locust and Scotch pine and the replanting of 47 acres of an old Christmas tree farm. Spring planting involves the gathering of the whole family and numerous friends and hunting buddies, who all contribute long hours to get the job done. As John stated, "it wouldn't feel like spring unless we plant something."

As the Tree Farm acreage has increased, so has the family's involvement in all the work done on the property. Recently, the day-to-day logging and Tree Farm business were turned over to the Koerners' sons, Scott and Jeff. As a pre-schooler, Scott started out by carrying the measuring stick through the snow for his dad and he is now running

3 trucks and several wood crews. Scott and Jeff are already getting their young children involved and interested in the Tree Farm.

Being in the logging business, John, Scott and Jeff all have Master Logger Certification. They work with landowners every day to help them meet forest management goals. They encourage landowners to take advantage of cost-sharing programs and to consider enrolling in the Managed Forest Law to ensure long-term ownership and the practice of sustainable forestry.

In addition to being Master Loggers, they are members of the Wisconsin Professional Loggers Association. Scott Koerner is also a member of the Wisconsin Woodland Owners

Association and Wisconsin Family Forests. The Koerners have hosted field days for Thilmany Paper Company and have staffed the Discover Wisconsin booth at the "Great Outdoor Festival" to educate children about forest management. They actively work with kindergarten, second and fourth grade students, teaching them about managing trees and harvesting equipment.

They never turn down an opportunity to talk about forest management and encourage sustainable forestry. Their enthusiasm and energy is amazing. All of the members of the Koerner family are true ambassadors for forestry. Congratulations to Koerner Family Tree Farms on becoming the 2006 Tree Farmer of the Year.



Word Search

By Mary Meisner

S	B	R	E	H	B	Y	O	B	V	R	A	H	O	S	T	B	U	M	F	X
E	G	X	L	Q	D	M	L	B	I	O	T	E	D	S	B	A	Q	O	W	R
E	X	P	E	V	M	P	S	I	L	V	I	C	U	L	T	U	R	E	K	O
D	X	U	W	P	Y	U	A	R	O	N	M	B	H	I	Y	E	F	D	O	P
L	X	L	B	W	H	A	W	C	S	X	B	C	Z	K	S	L	O	B	V	D
I	X	P	I	Z	A	X	F	H	Q	F	E	A	R	T	J	L	K	N	E	X
N	O	I	T	A	R	E	N	E	G	E	R	B	E	C	O	E	E	E	P	V
G	H	X	A	C	D	E	S	S	W	K	I	R	B	M	V	C	D	L	I	H
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F	T	X	S	Y	O	Q	L	K	M	R	N	B	N	X	F	E	D	X	Z	B
G	Y	S	P	U	O	L	W	M	H	K	E	L	W	E	N	I	P	J	K	I
T	X	T	B	U	D	W	O	R	M	C	L	A	F	D	X	C	Z	A	S	T
T	R	U	S	T	I	J	O	G	H	O	F	R	M	W	Q	S	C	P	W	A
A	I	M	D	I	C	V	D	Z	X	L	A	Y	L	S	A	W	L	J	P	T
U	A	P	L	S	G	O	L	J	H	M	F	L	H	Y	P	A	M	O	T	H
C	L	A	P	C	O	N	A	G	R	E	T	O	E	Q	N	A	S	X	Z	D
A	P	G	I	U	Y	T	N	R	E	H	E	G	A	Q	P	L	I	U	G	T
E	N	E	M	C	O	R	D	K	L	F	C	S	R	O	T	A	D	E	R	P

ATFS
BIRCHES
BUDWORM
CORD
CPW
DEED
FORESTER
HABITAT

HARDWOOD
HEMLOCK
HERBS
LOGS
MFL
MIXED
MLC
MOTH

PINE
PLAN
PREDATORS
PULP
REGENERATION
SAW
SEEDLING
SIGN

SILVICULTURE
STREAM
STUMPAGE
TIMBER
TRUST
WOODLAND

2007 Stumpage Rates and More

By Carol Nielsen
DNR Forest Tax Program Manager

Each year, the Department of Natural Resources adjusts the stumpage rates for the state (NR 46.30 Wis. Administrative Code). These rates will be used to calculate the Managed Forest Law yield taxes and Forest Crop Law severance taxes for any wood products harvested on or after November 1, 2006 or for any wood products reported on cutting reports received by the DNR after December 1, 2007.

This year, three additional issues were addressed at the same time the

stumpage values were being evaluated. The additional changes are listed below and are effective November 1, 2006.

1. New mixed products stumpage values. Mixed product refers to timber, normally divided between logs and cords, sold at one combined rate.
2. Weight conversion for red pine (green) cordwood changed from 4700 lbs/cord to 4500 lbs/cord. This was revised to match the red pine weight conversion used on public lands.
3. Mandatory practices in NR 46.18 (2) Wis. Administrative Code modified. This affects practices that can be made mandatory in a Managed Forest Law management plan.

a. "Release conifers" (e.g., pine, spruce) was modified to include release of hardwoods (e.g., oak, walnut).*

b. "Post harvest treatment to insure adequate regeneration" was modified to include pre-harvest treatments.*

*These practices generally qualify for cost-sharing through the Wisconsin Forest Landowner Grant Program.

The following tables (Tables A, B, C, and D) show the 2007 stumpage values effective November 1, 2006. The log, cord, mixed, and piece product rates are listed for each zone.



Table A

NR 46.30(2)(a) Logs (stumpage value per thousand board feet measurement by the Scribner Decimal C log rule).

2007 Rates - Effective Nov. 1, 2006													
ZONES													
	1	2	3	4	5	6	7	8	9	10	11	12	13
	Wau- kesha	Green Bay	Crivitz	Wausau	Wau- toma	Dodge- ville	Rhine- lander	Adams	Richland Center	Hay- ward	Eau Claire	River Falls	Sparta
Cedar	80.00	80.00	50.30	80.00	60.41	61.18	80.00	80.00	NA	80.00	80.00	80.00	80.00
Fir	NA	50.00	50.00	94.17	NA	NA	101.33	NA	NA	91.54	103.33	100.00	100.00
Hemlock	NA	56.75	70.00	72.63	NA	NA	78.33	NA	NA	120.00	100.00	57.14	57.14
Pine													
Jack	71.98	71.98	71.98	71.98	100.00	71.98	100.00	45.01	61.93	78.21	70.00	70.00	70.00
Red	135.00	100.42	110.00	132.77	119.87	66.06	145.42	131.96	106.86	118.05	128.94	109.40	141.23
White	85.00	83.11	117.20	162.23	104.68	113.96	141.56	158.81	136.26	125.00	152.62	98.02	125.00
Spruce	90.00	94.50	70.20	61.79	78.33	80.00	103.71	80.00	61.79	113.53	80.00	80.00	80.00
Tamarack	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Aspen	63.94	74.35	50.00	64.76	57.35	70.11	78.78	64.56	63.49	75.00	53.63	25.25	55.16
Ash	113.24	156.64	158.68	194.81	150.00	144.57	233.44	148.02	159.81	163.49	144.47	113.41	178.87
Basswood	144.27	126.69	214.00	214.09	87.10	168.20	214.00	169.97	155.87	172.34	116.26	145.75	127.42
Birch													
White	110.00	87.81	220.00	174.85	59.25	72.25	221.71	100.00	79.57	144.66	98.00	89.84	30.00
Yellow	200.00	230.00	273.68	229.64	229.13	229.13	257.25	212.00	252.50	232.27	136.44	221.63	221.63
Elm	43.86	75.13	99.00	142.69	125.24	75.89	175.11	125.00	44.55	89.00	75.00	100.00	85.00
Maple													
Sugar	432.53	545.90	504.31	535.35	461.04	595.09	492.70	490.85	475.95	423.89	401.11	392.80	120.00
Other	141.41	259.50	195.01	223.46	182.71	155.90	191.74	197.50	165.95	130.65	136.40	95.62	75.00
Oak													
Red	434.56	481.77	384.97	461.91	422.27	425.38	490.41	458.66	438.56	254.34	438.49	360.88	395.99
White	196.41	164.25	138.20	150.07	191.11	234.09	133.38	165.68	222.99	116.71	142.85	144.13	178.71
Other	178.98	180.00	90.21	181.17	207.61	195.59	177.80	131.60	182.79	73.26	148.83	160.00	163.67
Other Hardwood	133.57	146.70	154.52	186.45	146.00	230.99	232.63	72.03	188.15	167.91	148.57	185.04	145.72
Black Walnut	900.00	NA	NA	NA	NA	1392.67	NA	NA	1512.19	NA	400.00	613.82	1000.00
Cherry	566.44	NA	250.00	343.74	558.33	747.91	540.21	412.89	749.55	431.67	400.00	416.20	200.00

NA - Not Applicable - This species/product is not normally harvested within this zone.

Note: Stumpage values used to calculate severance and yield taxes during any specific period are intended for the purposes of the Forest Crop Law and Managed Forest Law. They are not a guarantee of actual market prices. Actual market prices can fluctuate, both up and down, and are the product of macro and micro-economic conditions reflecting specific factors of each individual sale.

Table B

NR 46.30(2)(b) Cord Products - 128 cubic feet of wood, air and bark assuming careful piling.

2007 Rates - Effective Nov. 1, 2006

	ZONES												
	1	2	3	4	5	6	7	8	9	10	11	12	13
	Wau-kesha	Green Bay	Crivitz	Wausau	Wau-toma	Dodge-ville	Rhine-lander	ADAMS Adams	Richland Center	Hay-ward	Eau Claire	River Falls	Sparta
Cedar	9.93	12.70	25.00	9.73	9.93	9.93	9.93	9.93	NA	10.00	10.00	10.00	9.93
Fir	NA	25.11	23.78	19.75	NA	NA	17.43	19.74	NA	25.52	21.62	19.74	19.74
Hemlock	NA	15.00	13.35	11.92	NA	NA	15.00	15.00	NA	9.74	12.81	12.81	12.81
Pine													
Jack	30.00	25.00	43.84	37.73	36.51	30.67	43.99	40.92	30.67	50.37	36.63	43.32	33.38
Red	25.00	28.12	56.32	44.43	42.33	36.00	47.65	40.86	36.58	50.91	48.49	43.57	44.34
White	20.00	23.71	29.31	25.46	35.90	16.77	21.92	33.56	20.22	24.83	26.42	22.47	39.30
Spruce	40.90	30.76	25.00	33.79	41.50	15.00	38.87	34.93	26.13	35.00	29.45	34.33	38.00
Tamarack	27.46	21.40	21.17	13.83	20.00	13.00	13.00	28.29	21.39	22.75	23.78	28.29	28.29
Aspen	16.61	23.30	32.03	28.38	20.28	10.47	26.70	30.11	15.53	35.00	26.52	29.53	18.55
Birch	22.18	16.74	28.26	23.43	25.00	10.00	26.48	17.57	10.00	29.38	19.91	21.57	7.70
Basswood	7.13	9.00	9.00	10.00	5.00	5.00	8.58	4.27	5.00	10.00	7.42	7.00	8.37
Oak	13.28	20.00	20.80	11.75	12.56	5.84	15.52	13.97	7.75	11.99	14.79	11.31	12.49
Other Hardwood	8.73	15.00	28.24	24.36	17.93	9.19	22.97	26.11	8.44	23.00	21.19	19.82	17.35
Fuelwood	10.55	11.00	11.90	9.62	10.00	9.97	6.00	12.28	9.97	10.00	5.96	10.41	10.00

NA - Not Applicable - This species/product is not normally harvested within this zone.

Note: Stumpage values used to calculate severance and yield taxes during any specific period are intended for the purposes of the Forest Crop Law and Managed Forest Law. They are not a guarantee of actual market prices. Actual market prices can fluctuate, both up and down, and are the product of macro and micro-economic conditions reflecting specific factors of each individual sale.

Table C

NR 46.30(2)(c) Mixed products (stumpage value per cord). Only for use with red pine, white pine and spruce. Not to be used in combination with other product codes.

2007 Rates - Effective Nov. 1, 2006

	1	2	3	4	5	6	7	8	9	10	11	12	13
	WAU-KESHA	GREEN BAY	CRIVITZ	WAUSAU	WAU-TOMA	DODGE-VILLE	RHINE-LANDER	ADAMS	RICHLAND CENTER	HAY-WARD	EAU CLAIRE	RIVER FALLS	SPARTA
Pine													
Red	25.00	28.12	56.32	44.43	42.33	36.00	47.65	40.86	36.58	50.91	48.49	43.57	44.34
White	20.00	23.71	29.31	25.46	35.90	16.77	21.92	33.56	20.22	24.83	26.42	22.47	39.30
Spruce	40.90	30.76	25.00	33.79	41.50	15.00	38.87	34.93	26.13	35.00	29.45	34.33	38.00

Note: Stumpage values used to calculate severance and yield taxes during any specific period are intended for the purposes of the Forest Crop Law and Managed Forest Law. They are not a guarantee of actual market prices. Actual market prices can fluctuate, both up and down, and are the product of macro and micro-economic conditions reflecting specific factors of each individual sale.

Table D

NR 46.30(2)(d) Piece products (stumpage value per piece).

2007 Rates - Effective Nov. 1, 2006

	ZONES												
	1	2	3	4	5	6	7	8	9	10	11	12	13
	Wau-kesha	Green Bay	Crivitz	Wausau	Wau-toma	Dodge-ville	Rhine-lander	ADAMS Adams	Richland Center	Hay-ward	Eau Claire	River Falls	Sparta
Posts & Poles													
7 and 8 ft.	0.71	0.63	0.54	0.72	0.65	0.71	0.59	0.77	0.71	0.77	0.70	0.62	0.63
10 and 12 ft.	2.12	1.88	1.61	2.15	1.95	2.12	1.77	2.32	2.12	2.30	2.11	1.87	1.88
14 and 16 ft.	3.53	3.13	3.15	3.58	3.26	3.53	2.95	3.87	3.53	3.83	3.52	3.11	3.13
18 and 20 ft.	7.02	6.21	5.33	7.12	6.47	7.02	5.87	7.70	7.02	7.62	6.99	6.18	6.21
21 and 30 ft.	10.07	8.91	7.65	10.22	9.29	10.07	8.42	11.04	10.07	10.93	10.03	8.87	8.91
31 and 40 ft.	17.40	15.39	13.21	20.00	16.05	17.40	20.00	19.08	17.40	20.00	17.32	15.32	15.39
41 and 50 ft.	26.02	23.02	19.75	25.00	24.00	26.02	25.00	28.53	26.02	28.24	25.90	22.91	23.02
51 and 60 ft.	35.94	31.79	27.28	36.46	33.15	35.94	30.06	49.50	45.00	39.01	35.77	31.65	31.79
61 and 70 ft.	47.00	41.58	73.00	47.68	43.35	47.00	39.31	51.54	47.00	51.01	46.79	41.39	41.58
Christmas Trees													
Unsheared	2.00	2.00	2.00	2.00	2.00	2.00	3.82	2.00	2.00	2.84	2.00	4.00	3.00
Sheared	6.70	6.70	6.70	6.70	6.70	6.70	6.70	6.70	6.70	6.70	6.70	6.70	6.70

Note: Stumpage values used to calculate severance and yield taxes during any specific period are intended for the purposes of the Forest Crop Law and Managed Forest Law. They are not a guarantee of actual market prices. Actual market prices can fluctuate, both up and down, and are the product of macro and micro-economic conditions reflecting specific factors of each individual sale.

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